

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 207 - SB 243**

February 17, 2009

**SUMMARY OF BILL:** Requires high school transcripts to contain a list of all courses taken and grades received, attendance records, standardized test scores, disciplinary actions, and students' weighted grade point averages.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$320,000**

**Increase Local Expenditures - Exceeds \$8,400,000\***

Assumptions:

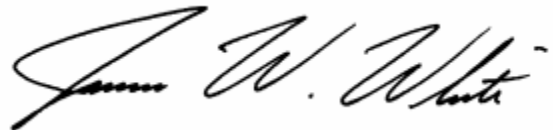
- Currently transcripts are required to be maintained by local education agencies (LEAs), not the Department of Education (DOE). To fulfill the requirements of this bill, attendance records and disciplinary actions will be added to student transcripts.
- Four state special schools will request two changes in the Statewide Student Management System (SSMS) at a cost ranging from \$30,000 to \$50,000 per request. If these requests cost approximately \$40,000 per request, the increase in state expenditures will be approximately \$320,000 (8 requests x \$40,000).
- According to DOE, because the bill does not specifically state that the addition of "record of attendance" and "disciplinary action" must be handled in an electronic form, some school systems may add these requirements by some other means. Accordingly, the state will not pay for electronic change requests made by LEAs to the SSMS system.
- There are 136 LEAs. An estimated 105 LEAs use the SSMS system and 31 LEAs do not. Those LEAs choosing to add fields in an electronic format will negotiate directly with the SSMS or other vendor to make these changes.

- It is unknown what the estimated cost increase will be to school systems who choose to use means other than electronic methods to make changes or who make electronic changes from a non-SSMS vendor.
- Most school systems (those on SSMS and those who are not) will utilize an electronic method to make changes since most school records, including transcripts, are kept electronically. If all 105 school systems use the SSMS system to make changes, the cost will be an increase in local expenditures of approximately \$8,400,000 (210 requests x \$40,000 per request). Therefore, the increase in local expenditures is reasonably estimated to exceed \$8,400,000.

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

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